HON'BLE SRI JUSTICE L.NARASIMHA REDDY

WRIT PETITION No.4978 of 2007

Dated:12.03.2007

Between:

Rural Education and Environmental Development Society (Reeds), represented by its Secretary.

…Petitioner.

and

The Regional Manager APSRTC, Ananthapur and another.

…Respondents

HON'BLE SRI JUSTICE L.NARASIMHA REDDY

WRIT PETITION No.4978 of 2007

ORDER:

The APSRTC owns an extent of about 2 acres of open land in Ananthapur Town, by the side of the bus station. The 1st respondent granted licence to the 2nd respondent to use the place for a period of three months, between 15.03.2007 and 15.06.2007, to run an industrial exhibition. The petitioner is a society, undertaking various activities. It also submitted an application. Its grievance is that it had intended to undertake such an activity and was, in fact, waiting for any tender notice, and complains that the action of the 1st respondent in granting licence to the 2nd respondent is illegal, arbitrary and unconstitutional.

Smt.N.Sasikala, learned counsel, representing Sri C.Kodanda Ram, learned counsel for the petitioner, submits that various provisions of the Road Transport Corporations Act, 1950, mandate that any property owned by such Corporations, must be permitted to be used, only after inviting competitive bids and selective allotment is prohibited thereunder. She contends that when the 1st respondent

invites tenders, even for awarding small contracts and licences, there was absolutely no basis for award of the licence in favour of the 2nd respondent, in respect of such large extent of land.

Learned Standing Counsel for the Corporation, on the other hand, submits that the land can be put to use, only for limited period, in a year and even for this purpose, tenders were invited during the year 2004. He contends that no tenders were received, in response to the notice and with a view to augment the resources of the Corporation, the licence was granted to the 2nd respondent, who alone submitted the application. He further submits that if more applications than one are received, the Corporation is willing to invite competitive bids.

Sri K.Maheswara Rao, learned counsel for the 2nd respondent, submits that in pursuance of the orders passed in favour of his client, preparatory arrangements have been made for the past one month and the exhibition is about to start.

It is no doubt true that the properties held by the public corporations can be permitted to be used by others, only through the process of tenders, in all respects. The 1st respondent itself invites tenders for awarding contracts of different categories, ranging from licences to leases. The very fact that it invited tenders, for awarding licence for use of the open land, itself discloses that it did not want to grant licences on selective basis. However, there was no response. It is not in dispute that the 2nd respondent was the only applicant, who came forward seeking licence for a period of three months. Had the petitioner also made an application for the same period, the 1st respondent would certainly have invited bids, or tenders from them as well as other intending persons. Further, it is too late for the petitioner to seek any relief. The licence in favour of the 2nd respondent was granted on 01.02.2007 and ever since then, it invested amounts and

provided infrastructure to commence the exhibition from 15.03.2007. The petitioner does not derive any benefit, if it is interdicted at this stage. At least from next year onwards, the 1st respondent invites tenders for grant of licence.

The Writ Petition is disposed of, directing that the licence, in respect of the open land held by it, by the side of the bus station, Anantapur, shall be only on the basis of bids or tenders, in case it receives more applications than one, for any particular period. There shall be no order as to costs.

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L. NARASIMHA REDDY, J.

Dt.12-03-2007.

GJ